



NEWS FROM THE OFFICE OF
ULSTER COUNTY COMPTROLLER
ELLIOTT AUERBACH

ELLIOTT AUERBACH
COUNTY COMPTROLLER
244 FAIR STREET
KINGSTON, NEW YORK 12401

PHONE: 845: 340-3529
eaue@co.ulster.ny.us
www.co.ulster.ny.us/resources/comptroller

FOR IMMEDIATE RELEASE

LDC-MORE QUESTIONS THAN ANSWERS

Comptroller Auerbach Provides Answers and Poses Questions About Local Development Corps

KINGSTON, NY (October 11, 2011)...Ulster County Comptroller Elliott Auerbach again poses questions about the use of Local Development Corporations (LDC) in Ulster County, this time with regard to County Executive Michael Hein's proposal to create an LDC to take possession of the Golden Hill Health Care Facility. "My office continues to review the Executive's proposal," said Auerbach, "and I give him credit for presenting a comprehensive approach to this longstanding dilemma but many questions remain to be answered."

The Comptroller has prepared a fact sheet for the public on what local development corporations are, the purposes for which they may be created, and relevant characteristics of an LDC. "We want to support public discussion on the proposal so we also provide a list of questions to consider about the use of LDCs," said Auerbach.

Auerbach explained that as they delve further into the proposal and tease out the specifics, additional information will be forthcoming. "I support innovation in solving government problems," said Auerbach, "but complex problems are best served through collaborative processes. The emerging markets of today are most often the result of creative, group processes."

In March 2010 the Comptroller asked the County Legislature to table a resolution approving a proposed certificate of incorporation and consenting to the formation of a local development corporation. At issue was the use of an LDC to bypass a law that had sunset allowing industrial development agencies to issue tax-exempt bonds for public purposes. "Ultimately the Ulster County Industrial Development Agency was able to clear specific legal hurdles but," said Auerbach, "there is still much to be wary about public authorities ... like the Ulster County Resource Recovery Agency, they use public funds yet are far removed from the oversight of the taxpayers' whose funds they use."

###